

**Assembly Bill 3022 (Committee)**

**Conflicts:** expanded ethics courses

**Version:** As introduced, March 7, 2002

**Status:** Assembly Appropriations Committee

---

## **Summary of Proposed Bill**

Under existing law, high-level state employees, including certain exempt and management-level state officials, are required to take an ethics course every two years, in accordance with Government Code Section 11146.<sup>1</sup>

This bill would extend this requirement to all designated employees of a state agency.

## **Background**

In August of 1999, the Commission adopted Regulation 18370 to provide guidance to state agencies as to the core content any ethics orientation course provided pursuant to Government Code § 11146.1. Commission staff assisted the Attorney General's Office in the development of a videotape and an Internet course incorporating the core content topics identified in Regulation 18370. The Internet program was recently updated. The FPPC's contribution to that effort consumed a substantial amount of Commission staff time and resources.

## **Policy Considerations and Commission Workload**

This course is designed for officials who have full disclosure under the Act. Many designated employees have limited disclosure. For these employees, the prohibitions on gifts, honoraria, and travel are applicable only to persons they would be required to disclose on a statement of economic interest. The course would have to be redesigned to accommodate designated employees with limited disclosure – or a different course could be developed. In addition, we anticipate that we will be fielding many more questions about the course.

Currently, most state agencies use the videotape or the Internet course prepared by the Attorney General's Office and the Commission, which generally applies to Section 87200 filers and other

---

<sup>1</sup> § 11146. For purposes of this article, the following terms have the following meanings: (a) "State agency" has the same meaning as set forth in Section 82049, but does not include the Legislature. (b) "Filer" means each member, officer, or employee of a state agency who satisfies both of the following requirements: (1) The person holds any one of the following positions with the agency: an elected office, a position that is exempt from civil service, a career executive assignment, the position of executive director or its equivalent, or the position of general counsel or its equivalent. (2) The person is required to file a statement of economic interests under either Article 2 (commencing with Section 87200) or Article 3 (commencing with Section 87300) of Chapter 7 of Title 9 because of the position he or she holds with the agency.

top officials. Preparation of similar training materials covering all designated employees under all disclosure categories would be a much more complicated project, which would require substantial staff time and resources.

Further, pursuant to Regulation 18370(c)(1), a state agency conducting an ethics orientation course as required by Government Code § 11146.1, may consult with the Commission on the substantive content of its course and may request consultation on such topics as conflicts of interest under the Political Reform Act, gift limitations, honoraria ban, conflicts of interest and campaign contributions, special restrictions on personal loans, and conflicts of interest when leaving office. A state agency may also request consultation by submitting a copy of its course materials to the Executive Director at least thirty working days prior to the date on which it plans to conduct its ethics orientation course. The Executive Director must respond in writing to the state agency not more than twenty-one (21) working days after the submission is received. (Regulation 18370(c)(2).)

This bill will have a direct and significant impact on the Legal Division, as state agencies will consult with us regarding the substantive content of their proposed course materials. Practical experience in this area demonstrates that this will be time-consuming and labor-intensive.

Passage of this bill may necessitate amendment of Regulation 18370 to specify the work state agencies must complete on their ethics orientation course materials before they may request consultation with the Commission regarding the substantive content of those materials.

Large state agencies such as the Office of General Services and the Department of Consumer Affairs could realize an exponential increase in the number of individuals that would be required to receive the bi-annual training. While implementing the training requirements may seem burdensome, the increased exposure that the individuals attending the training would receive on issues related to conflicts of interests and economic interests reporting could result in a reduction in the number of Statement of Economic Interest reporting violations that occur each year.

**Staff Recommendation:** Support, if amended to provide funding for additional staff necessary to handle additional workload, estimated to be \$150,000 per year for one full-time Political Reform Consultant and one full-time attorney.